1.0 INTRODUCTION

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1.1 PROJECT OBJECTIVES, PURPOSE AND NEED

- 4 The California Environmental Quality Act (the CEQA) Guidelines (section 15126.6.a)
- 5 require that a range of reasonable alternatives to the proposed Project must be
- 6 described, analyzed and feasibly attain most of the basis objectives of the Project.
- 7 Therefore, in order to explain the need for the proposed Project, and to guide in
- 8 development and evaluation of alternatives, PG&E was asked to define its project
- 9 objectives. PG&E identified the following objectives for the Line 108 Natural Gas
- 10 Pipeline Project:
- To serve new gas distribution customers in Elk Grove and southeast Sacramento
 County, south of Mack Road and Gerber Road;
 - To increase the level of service reliability by creating a looped network with Line 196, which would be available to approximately 150,000 gas customers currently served by Line 108 in Sacramento County, including the city of Galt;
 - To create a greater pipeline system capacity to serve future large industrial transmission customers expected along the Interstate 80 and Highway 65 corridors;
 - To increase capacity of the Sacramento Local Transmission System in order to transport gas to other high growth areas in North Sacramento, South Placer, and El Dorado Counties, by shifting one of the largest and fastest growing areas off of the Sacramento Loop; and
 - To increase operational flexibility, allowing gas received from California Production via Line 196 west of Stockton, into the Sacramento Local Transmission System.

1.2 PURPOSE AND SCOPE OF EIR

- 27 Section 15124(d) of the State CEQA Guidelines requires that an Environmental Impact
- 28 Report (EIR) contain a statement within the project description briefly describing the
- 29 intended uses of the EIR. The State CEQA Guidelines indicate that the EIR should
- 30 identify the ways in which the Lead Agency and any responsible agencies would use
- 31 this document in their approval or permitting processes. The following discussion
- 32 summarizes the roles of the agencies and the intended uses of the EIR.
- 33 The California State Lands Commission (CSLC) is the State agency with jurisdiction
- and management control over California's sovereign and school lands. As such, the

- 1 CSLC is the lead agency in California for preparing the EIR, complying with the CEQA
- 2 (Public Resources Code [PRC] Section 21000 et seq.), following the guidelines for the
- 3 implementation of the CEQA (California Code of Regulations [CCR] Title 14, Section
- 4 15000 et seq.), and coordinating the review of the EIR by state and local responsible
- 5 and trustee agencies. These responsible and trustee agencies include the California
- 6 Department of Fish and Game (CDFG), the Regional Water Quality Control Boards
- 7 (RWQCBs), the California Department of Transportation (CalTrans), and the local Air
- 8 Quality Management Districts (AQMDs). The EIR will be used by the CSLC to exercise
- 9 its jurisdictional responsibilities in making its decision to grant a lease for the pipeline
- 10 river crossings at the Mokelumne and Cosumnes Rivers.
- 11 The proposed Project would also require approvals or be reviewed by a number of
- 12 State, federal and / or local agencies as noted in Section 1.4 Permits, Approvals and
- 13 Regulatory Requirements.

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14 1.2.1 Organization of EIR

- Section 2.0 Description of Proposed Project describes the proposed Project, its location, layout and facilities, and presents an overview of its operation;
- Section 3.0 Alternatives and Cumulative Projects describes the alternatives to the proposed Project carried forward for analysis, the alternatives that were considered but eliminated from detailed evaluation, and identifies the cumulative projects that will be analyzed;
 - Section 4.0 Existing Environment and Impact Analysis describes existing environmental conditions, project-specific impacts and mitigation measures, and the impact analysis of the alternatives. Section 4.0 also evaluates the impacts of the cumulative projects;
- Section 5.0 Other Required CEQA Sections addresses other required CEQA elements, and describes significant unavoidable environmental effects, irreversible environmental effects, and growth-inducing impacts;
- Section 6.0 Mitigation Monitoring, Compliance, and Reporting Program
 presents the Mitigation Monitoring and Reporting Program (MMRP);
- Section 7.0 Report Preparation Sources presents information on the qualifications of those who prepared the report;
- Section 8.0 References lists reference materials used to prepare the report;
 - Section 9.0 List of Acronyms and Abbreviations includes a list of acronyms and abbreviations used in the report;

- Appendix A to this Draft EIR contains the mailing list; and
 - Appendix B to this Draft EIR contains the Notice of Preparation (NOP) and copies of comments received on the NOP, including the location in the Draft EIR where the comments are addressed. Other technical appendices are also included in this Draft EIR.

6 1.2.2 Study Area Boundary

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- 7 The study area for this Project includes the proposed pipeline route and easement
- 8 areas, from the Thornton Station in San Joaquin County to the Elk Grove Station in
- 9 Sacramento County. The study area also includes the temporary work areas necessary
- 10 for construction of the Project as well as those adjacent areas that may be affected by
- 11 pipeline upsets as identified in Section 4.5, Hazards and Hazardous Materials.

12 1.2.3 Definition of Baseline and Future Conditions

- 13 The State CEQA Guidelines (Section 15125(a)) require a description of the existing
- 14 environmental setting in order to examine and analyze the effects of the proposed
- 15 Project on the environment. When the original PG&E Line 108 (a 16-inch natural gas
- transmission line) was constructed in the 1930s, the CEQA was not in place; therefore,
- 17 no CEQA studies have been completed for construction or operation of Line 108. This
- 18 EIR analyzes the environmental impacts associated with replacement of approximately
- 19 11 miles of Line 108 extending from the Thornton Station, just south of the Mokelumne
- 20 River in San Joaquin County, to the Elk Grove Station, just south of Elk Grove
- 21 Boulevard in Sacramento County. This EIR examines the impact on the existing
- 22 environment of replacing and operating the Line 108 pipeline for the design life of the
- 23 pipeline (50 years).

1.3 PUBLIC REVIEW AND COMMENT

25 **1.3.1 Scoping**

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- 26 The CSLC, as Lead Agency in accordance with the provisions of the CEQA, determined
- 27 that the proposed Project may result in potentially significant adverse environmental
- 28 impacts, and therefore required preparation of this Draft EIR pursuant to and in
- 29 accordance with the CEQA (Public Resources Code, Section 21000 et seq.), the State
- 30 CEQA Guidelines (California Code of Regulations, Title 14, Chapter 3, Section 15000 et
- seq.), and the CSLC's guidelines implementing the CEQA.
- 32 On October 10, 2006, pursuant to the State CEQA Guidelines (sections 21080.4 and
- 33 15082(a)), the CSLC provided a Notice of Preparation (NOP) for the proposed Project

- 1 to responsible and trustee agencies and to other interested parties. The NOP solicited
- 2 both written and verbal comments on the EIR's scope during a 30-day comment period
- 3 and provided information on a forthcoming public scoping meeting. The CSLC held two
- 4 public and agency scoping meetings in Sacramento, California on November 2, 2006, at
- 5 3:00 p.m. and 6:00 p.m., to solicit verbal comments on the scope of the EIR. No verbal
- 6 comments were made at the scoping meetings, so no transcripts are included. Written
- 7 comments were received in response to the NOP from the following (listed in the order
- 8 received):
- Reclamation District 1002, Robert Abercrombie;
- Native American Heritage Commission, Debbie Pilas-Treadway, Environmental
 Specialist III;
- Department of Water Resources, Mike Mirmazaheri, Chief;
- Landowner, Charlotte Cameron;
- Department of Fish and Game, Sandra Morey, Regional Manager;
- Delta Protection Commission, Linda Fiack, Executive Director:
- California Department of Transportation (Caltrans), Tom Dumas, Chief;
- San Joaquin Valley Air Pollution Control District (SJVAPCD), Arnaud Marjellet,
 Permit Services Manager; and
- California Energy Commission (CEC), Eugenia Laychak, Special Projects Manager.
- 21 A copy of the NOP and comment letters received, as well as an index of where such
- comments are addressed in the document, are included in Appendix B.

23 1.3.2 Public Comment on the Draft EIR

- 24 This Draft EIR is being circulated to local and state agencies and to interested
- 25 individuals who may wish to review and comment on the report. Written comments may
- be submitted to the CSLC during the 45-day public review period. Verbal and written
- 27 comments on this Draft EIR will be accepted at a noticed public meeting (either noticed
- 28 in this document or under separate cover). All comments received will be addressed in
- 29 a Response to Comments addendum document, which, together with this Draft EIR, will
- 30 constitute the Final EIR for the proposed Project.

- 1 This Draft EIR identifies the environmental impacts of the proposed Project on the
- 2 existing environment, indicates how those impacts will be mitigated or avoided, and
- 3 identifies and evaluates alternatives to the proposed Project. This document is intended
- 4 to provide the CSLC the information required to exercise its jurisdictional responsibilities
- 5 with respect to the proposed Project, which would be considered at a separate noticed
- 6 public meeting of the CSLC.
- 7 The CEQA requires that a Lead Agency shall neither approve nor implement a project
- 8 as proposed unless the significant environmental impacts have been reduced to an
- 9 acceptable level. An acceptable level is defined as eliminating, avoiding or substantially
- 10 lessening significant environmental effects to below a level of significance. If the Lead
- 11 Agency approves the project, even though significant impacts identified in the final EIR
- 12 cannot be fully mitigated, the Lead Agency must state in writing the reasons for its
- 13 action. Findings and a Statement of Overriding Considerations (SOC) must be included
- in the record of project approval and mentioned in the Notice of Determination (NOD).

15 1.4 PERMITS, APPROVALS AND REGULATORY REQUIREMENTS

- 16 In addition to action by the CSLC, the proposed Project will require permits or approvals
- 17 from the following reviewing authorities and regulatory agencies:
- U.S. Army Corps of Engineers (USACE);
- U.S. Fish and Wildlife Service (USFWS);
- National Marine Fisheries Service (NMFS);
- Bureau of Land Management (BLM);
- Central Valley Regional Water Quality Control Board (CVRWQCB);
- California Department of Fish and Game (CDFG);
- California Department of Transportation (Caltrans);
- State Reclamation Board;
- Sacramento Metropolitan Air Quality Management District (SMAQMD);
- San Joaquin Valley Air Pollution Control District (SJVAPCD);
- Sacramento and San Joaquin Counties; and
- Reclamation Districts 348 and 1002.